

§ 1944.427

reconsidered, the National Office will make a preliminary decision concerning the continued funding of the grantee during the appeal period. Written notification of the decision will be given to the State Director and grantee.

(ii) The National Office will then obtain a comprehensive report on the matter from the State Office. This information will be considered together with any additional information that may be provided by the grantee.

(c) *Grant suspension.* When the grantee has failed to comply with the terms of the agreement, the District Director will promptly report the facts to the State Director. The State Director will consider termination or suspension of the grant usually only after a Grantee has been classified as “high risk” in accordance with §1944.417(b)(2) of this subpart. When the State Director determines that the grantee has a reasonable potential to correct deficiencies the grant may be suspended. The State Director will request written authorization from the National Office to suspend a grantee. The suspension will adhere to 7 CFR parts 3015 and 3016. The grantee will be notified of the grant suspension in writing by the State Director. The State Director will also promptly inform the grantee of its rights to appeal the decision by use of exhibit B-3 of subpart B of part 1900 of this chapter.

(d) *Grant termination.* The State Director may terminate the grant agreement whenever FmHA or its successor agency under Public Law 103-354 determines that the grantee has failed to comply with terms of the Agreement. The reasons for termination may include, but are not limited to, such problems as listed in paragraph (e)(3)(i) of exhibit A of this subpart. The State Director may also withhold further disbursement of grant funds and prohibit the grantee from incurring additional obligations of grant funds with written approval of the National Office. FmHA or its successor agency under Public Law 103-354 will allow all necessary and proper costs which grantee could not reasonably avoid.

(1) *Termination for cause.* The grant agreement may be terminated in whole, or in part, at any time before

7 CFR Ch. XVIII (1-1-09 Edition)

date of completion, whenever FmHA or its successor agency under Public Law 103-354 determines that the grantee has failed to comply with terms of the Agreement. The State Director will notify the grantee in writing giving the reasons for the action and inform the grantee of its rights of appeal by use of exhibit B-3 of subpart B of part 1900 of this chapter.

(2) *Termination for convenience.* FmHA or its successor agency under Public Law 103-354 or the grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the grant would not produce beneficial results. The two parties will agree in writing to the termination conditions including the effective date. No notice of rights of appeal will be issued by FmHA or its successor agency under Public Law 103-354.

[55 FR 41833, Oct. 16, 1990, as amended at 67 FR 78328, Dec. 24, 2002; 68 FR 61331, Oct. 28, 2003]

§ 1944.427 Grantee self-evaluation.

Annually or more often, the board of directors will evaluate their own self-help program. Exhibit E of this subpart is provided for that purpose. It is also recommended that they review their personnel policy, any audits that may have been conducted and other reports to determine if they need to make adjustments in order to prevent fraud and abuse, and meet the goals in the current grant agreement.

§§ 1944.428–1944.449 [Reserved]

§ 1944.450 OMB control number.

The reporting and recordkeeping requirements contained in this regulation have been approved by the Office of Management and Budget and have been assigned OMB control number 0575-0043. Public reporting burden for this collection of information is estimated to vary from 10 minutes to 18 hours per response, with an average of 1.17 hours per response including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of

this collection of information, including suggestions for reducing this burden, to Department of Agriculture, Clearance Officer, OIRM, room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB# 0575-0043), Washington, DC 20503.

EXHIBIT A TO SUBPART I OF PART 1944—
SELF-HELP TECHNICAL ASSISTANCE
GRANT AGREEMENT

THIS GRANT AGREEMENT dated _____, 19____, is between _____

a nonprofit corporation ("Grantee"), organized and operating under _____

(authorizing State statute)

and the United States of America acting through the Farmers Home Administration, Department of Agriculture ("FmHA") or its successor agency under Public Law 103-354.

In consideration of financial assistance in the amount of \$_____ (called "Grant Funds") to be made available by FmHA or its successor agency under Public Law 103-354 to Grantee under section 523(b)(1)(A) of the Housing Act of 1949 to be used in (specify area to be served) _____ for the purpose of providing a program of technical and supervisory assistance which will aid low-income families in carrying out mutual self-help housing efforts. Grantee will provide such a program in accordance with the terms of this Agreement and FmHA or its successor agency under Public Law 103-354 regulations.

DEFINITIONS:

Date of Completion means the date when all work under a grant is completed or the date in the TA Grant Agreement, or any supplement or amendment thereto, on which Federal assistance ends.

Disallowed costs are those charges to a grant which the FmHA or its successor agency under Public Law 103-354 determines cannot be authorized.

Grant Closeout is the process by which the grant operation is concluded at the expiration of the grant period or following a decision to terminate the grant.

Termination of a grant means the cancellation of Federal assistance, in whole or in part, under a grant at any time prior to the date of completion.

TERMS OF AGREEMENT:

(a) This Agreement shall terminate _____ years from this date unless extended or sooner terminated under paragraphs (e) and (f) of this Agreement.

(b) Grantee shall carry out the self-help housing activity described in the application docket which is attached to and made a part of this Agreement. Grantee will be bound by the conditions set forth in the docket, 7 CFR part 1944, subpart I, and the further conditions set forth in this Agreement. If any of the conditions in the docket are inconsistent with those in the Agreement or subpart I of part 1944, the latter will govern. A waiver of any condition must be in writing and must be signed by an authorized representative of FmHA or its successor agency under Public Law 103-354.

(c) Grantee shall use grant funds only for the purposes and activities specified in FmHA or its successor agency under Public Law 103-354 regulations and in the application docket approved by FmHA or its successor agency under Public Law 103-354 including the approved budget. Any uses not provided for in the approved budget must be approved in writing by FmHA or its successor agency under Public Law 103-354 in advance.

(d) If Grantee is a private nonprofit corporation, expenses charged for travel or per diem will not exceed the rates paid FmHA or its successor agency under Public Law 103-354 employees for similar expenses. If Grantee is a public body, the rates will be those that are allowable under the customary practice in the government of which Grantee is a part; if none are customary, the FmHA or its successor agency under Public Law 103-354 rates will be the maximum allowed.

(e) Grant closeout and termination procedures will be as follows:

(1) Promptly after the date of completion or a decision to terminate a grant, grant closeout actions are to be taken to allow the orderly discontinuation of Grantee activity.

(i) Grantee shall immediately refund to FmHA or its successor agency under Public Law 103-354 any uncommitted balance of grant funds.

(ii) Grantee will furnish to FmHA or its successor agency under Public Law 103-354 within 90 days after the date of completion of the grant a "Financial Status Report", Form SF-269A. All financial, performance, and other reports required as a condition of the grant will also be completed.

(iii) Grantee shall account for any property acquired with technical assistance (TA) grant funds, or otherwise received from FmHA or its successor agency under Public Law 103-354.

(iv) After the grant closeout, FmHA or its successor agency under Public Law 103-354 retains the right to recover any disallowed costs which may be discovered as a result of any audit.

(2) When there is reasonable evidence that Grantee has failed to comply with the terms of this Agreement, the State Director may determine Grantee as "high risk". A "high